



COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND CABLE

D.T.C. 11-13

March 2, 2011

Petition of Charter Communications to establish and adjust the basic service tier programming, equipment and installation rates for the communities served by Charter that are currently subject to rate regulation.

FIRST SET OF INFORMATION REQUESTS OF THE DEPARTMENT OF TELECOMMUNICATIONS AND CABLE TO CHARTER COMMUNICATIONS

Pursuant to 801 C.M.R. § 1.01(8)(g), the Department of Telecommunications and Cable ("Department") submits to Charter Communications ("Charter") the following information requests:

Instructions

1. Each request should be answered in writing on a separate page with a recitation of the request, a reference to the request number, the docket number of the case, and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require supplemental responses if Charter or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:

Provide all data, assumptions, and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports, and planning documents from which data, estimates, or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers.

5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, press releases, handwritten and/or typed notes, records, reports, bills, checks, articles from journals and/or other sources, e-mails, SMS text messages, blog postings, RSS feeds, web pages, social media postings such as Facebook and Twitter, and/or other data compilations from which information can be

obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If any one of these requests is ambiguous, notify the Department so that the request may be clarified prior to the preparation of a written response.
7. File an original and three copies of the responses with Catrice C. Williams, Secretary of the Department not later than the close of business on Friday, March 16, 2011.

Requests

- D.T.C. 1-1 Indicate when Charter last changed its Basic Service Tier (“BST”) rate (prior to January 1, 2012) for each regulated Massachusetts franchise.
- D.T.C. 1-2 Referring to all FCC Forms 1240 in which Charter prepared a “Worksheet 8 – True-up Rate Charged” calculation. Review Charter’s calculations and provide support for the methodology used in the average monthly rate calculations.
- D.T.C. 1-3 Referring to FCC Form 1240, Module D Line 2, for those communities which Charter is making an initial FCC Form 1240 filing. Provide a breakdown of all costs classified as “current external costs” on a community by community basis.
- D.T.C. 1-4 Referring to the FCC Form 1240 – Retransmission Consent Support Calculations for Worksheet 7. Charter indicates that its retransmission contract with WCVB expired on 12/31/11 and “conservatively project for a 50% increase due to possible contractual increase in future negotiations.” Verify the accuracy of Charter’s projection, and provide a more detailed explanation for such increase.
- D.T.C. 1-5 Referring to the FCC Form 1240 Worksheet 3 – True-up and Projected Periods for the Town of Auburn. Charter reports 40 regulated basic channels on Worksheet 3, yet Charter’s attached channel line-up lists 52 channels as being on the basic tier. For each system in which such a discrepancy appears, provide a list of which regulated basic channels Charter is reporting on the corresponding community’s FCC Form 1240 worksheet 3.
- D.T.C. 1-6 Referring to the FCC Form 1240 Franchise Related Cost Data for the Town of Auburn. Provide a detailed explanation of the new capital grant to be collected over 21 months.
- D.T.C. 1-7 Referring to the Franchise Related Costs for the town of Groton, provide a detailed explanation as to why Charter did not pass through the franchise related cost grant until 2008 when the grant was paid six years earlier in 2002.

- D.T.C. 1-8 Referring to Charter’s FCC Form 1205 Schedule A

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First Set of Information Requests

- a. Provide a detailed explanation of the increase in accumulated depreciation for all Schedule A categories from the previous year.
- b. Provide a detailed explanation for Charter's removal of the category "Capitalized Labor" from its previous to current Schedule A worksheet.
- c. Provide a detailed explanation for Charter's replacement of the "Tools" category from its previous Schedule A worksheet to the category "Installation Materials/Tools/Labor" contained in its present Schedule A calculations. Include in the explanation a description of any differences between costs captured in the two categories.

D.T.C. 1-9 Referring to Charter's FCC Form 1205 Schedule C for the column "Converter 2 – Standard"

- a. Explain the increase in "Accumulated Depreciation" (line E) from the prior to current form. Include in the explanation a detailed description of the Methodology Charter employed in its calculations.
- b. The "Current Provision for Depreciation" (line J) of Converter 2 is listed at \$63.9 million while the "Gross Book Value" (line D) for Converter 2 is \$75 million. Explain this difference.

D.T.C. 1-10 Referring to Charter's FCC Form 1205 Worksheet for Calculating Permitted Equipment and Installation Charges. Provide detailed explanations for the increase in the Rate per Month (Step D line 25) for leased converter boxes 1 and 2, and for the decrease in the Rate per Month (Step D line 25) for leased converter box 3 from the previous year.

D.T.C. 1-11 Provide state tax rate calculations for Charter's FCC Form 1205.